

108TH CONGRESS
2D SESSION

H. R. 3811

To amend the Internal Revenue Code of 1986 to waive the employee portion of Social Security taxes imposed on individuals who have been diagnosed as having cancer or a terminal disease.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 11, 2004

Mr. PAUL introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to waive the employee portion of Social Security taxes imposed on individuals who have been diagnosed as having cancer or a terminal disease.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Cancer and Terminal
5 Illness Patient Health Care Act of 2004”.

1 **SEC. 2. WAIVER OF EMPLOYEE PORTION OF SOCIAL SECUR-**
2 **ITY TAXES ON INDIVIDUALS DIAGNOSED AS**
3 **HAVING CANCER OR A TERMINAL DISEASE.**

4 (a) EMPLOYEES.—Section 3101 of the Internal Rev-
5 enue Code of 1986 (relating to tax on employees) is
6 amended by adding at the end the following new sub-
7 section:

8 “(d) EXCEPTION FOR EMPLOYEES WITH CANCER OR
9 TERMINAL DISEASE.—No tax shall be imposed by this
10 section on wages paid to an individual for any period for
11 whom a certification by a physician (as defined in section
12 1861(r)(1) of the Social Security Act (42 U.S.C.
13 1395x(r)(1)) is in effect stating that—

14 “(1) the individual has a terminal disease, or

15 “(2) the individual has cancer and whether or
16 not such cancer is in remission.

17 The preceding sentence shall apply in the case of a certifi-
18 cation that an individual’s cancer is in remission only dur-
19 ing the period that the individual certifies to the employer
20 that the individual is incurring significant costs (not reim-
21 bursed by insurance or otherwise) by reason of such can-
22 cer.”

23 (b) COMPARABLE TREATMENT FOR SELF-EMPLOYED
24 INDIVIDUALS.—Section 1401 of such Code is amended by
25 adding at the end the following new subsection:

1 “(d) REDUCTION IN TAX FOR SELF-EMPLOYED INDIVIDUALS WITH CANCER OR TERMINAL DISEASE.—

3 “(1) IN GENERAL.—Each of the rates of tax
4 under subsections (a) and (b) shall be reduced by 50
5 percent in the case of an individual for whom a cer-
6 tification by a physician (as defined in section
7 1861(r)(1) of the Social Security Act (42 U.S.C.
8 1395x(r)(1)) is in effect throughout the taxable year
9 stating that—

10 “(A) the individual has a terminal disease,
11 or

12 “(B) the individual has cancer and whether
13 or not such cancer is in remission.

14 The preceding sentence shall apply in the case of a
15 certification that an individual’s cancer is in remis-
16 sion only during the period that the individual is in-
17 curring significant costs (not reimbursed by insur-
18 ance or otherwise) by reason of such cancer.

19 “(2) SPECIAL RULE WHERE CERTIFICATE IN
20 EFFECT FOR ONLY PORTION OF YEAR.—If the cer-
21 tification referred to in paragraph (1) is in effect for
22 only a portion of the taxable year, paragraph (1)
23 shall be applied by substituting for ‘50 percent’ the
24 number of percentage points which bears the same

1 ratio to 50 as such portion bears to the entire tax-
2 able year.”

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to periods after the date of the
5 enactment of this Act.

6 (d) NO IMPACT ON SOCIAL SECURITY TRUST FUND
7 DEPOSITS OR BENEFITS.—Nothing in the amendments
8 made by this section shall be construed to affect the
9 amount of deposits into any trust fund under the Social
10 Security Act or the amount of benefits payable under such
11 Act.

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